District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-101 June 16, 2008

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to appropriate District Office

☐ AMENDED REPORT

API	<u> PLICA'</u>	TION I				E-EN	TER,	DEEP.	EN, PLUG	BAC	K, OR A	DD A ZONE	
			Operator Name Devon Energy P	roduction. I	[P				6137	² OG	RID Numbe	r	
		20 N	orth Broadway, Ol	KC, OK 73	102-8260		30 - 045- 350 Number						
Property Code Property 19641 Northeast Bla					/ Name lanco Uni	Name anco Unit Well No. 424A							
⁹ Proposed Pool 1 Basın Fruitland Coal (Gas) 71629						¹⁰ Proposed Pool 2						. "	
							cation						
UL or lot no E	Section 4	Township 30N	·		Idn Feet	rom the	om the North/South line		Feet from the	Eas	t/West line West	County San Juan	
L	8 Proposed Bottom Hole Lo										West	San Juan	
UL or lot no	Section	Township			Lot Idn Feet fro		T	South line Feet from the		Eas	t/West line	County	
М	4	30N	7W			1190		uth	300		West	San Juan	
ll w-u-	C. I.	- - 	12 W. II T		Additional		ntorma		T 0.1		15.0	II IEI	
	Гуре Code N		12 Well Type Co G		R	ole/Rotary otary			Lease Type Code Fee		15 Ground Level Elevation 6136'		
	ultıple N		¹⁷ Proposed Dep 4175'MD 3276 T			rmation and Coal			19 Contractor			²⁰ Spud Date Unknown	
				²¹ Prop	osed Casir	ng and	Cemer	nt Prog	ram				
Hole Si	ize	Ca	sing Size	Casing	g weight/foot	Set	Setting Depth (MD)		Sacks of Cement		nt Estimated TOC		
12 17		(9.5/8"		32#	1	0-285		200		Surface		
8 3/4			7"		23#	+	0-384		500		Surface		
6 1/4		<u> </u>	5 1/2"		15.5#	 	3790 -	11)	No ce	ment		Onen hole	
Surface localocation of FWL which	blowout pr ation is lo Lot E, Se i is FEE r d docum	evention proceed on c 4-T30N minerals (ogram, if any. Us BLM/BOR pro I-7W, 2180' FI see attached su 44 submitted M	e additional perty. SNL & 102 ndry). May 6 th , 2	al sheets if necess undry notice 20° FWL with 2009 under p	sary. filed wing the both	th BLM ttomhole	/BOR to	ask for perm	ission to	o build we ON-7W, I RCVD A	ell pad at surface 190' FSL & 300' GUG 10'09 GNS. DIV.	
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.					OIL CONSERVATION DIVISION								
Signature.					Approved by								
Printed name Stephanie A Ysasaga						Title: OEPUTY OIL & GAS INSPECTOR, DIST.							
Title	μ		1/		-	Appro	val Date			Expirati	on Date		
Sr Staff Engir	neering Tec	chnician				Approval Date Expiration Date SI 14/2011							
E-mail Address	SS		Ţ			N			ZTEC	CC	24 H	HRS.	
Stephanie. Ysa	ısaga@dvn	.com				PF	RIOF	R TO	CASIN	G &	CEM	IENT	
Date:			Phone					pproval A	ttached		old C104		
08/07/2009			(405)-552-78	302		P.A				for Dire	ctional Surve		
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District I 1625 N. French Dr., Hobbs NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 87210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 Sc. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87504-2088 Form C-102 Revised October 12, 2005

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

	API Numbe			² Pool Code			¹ Pool	Name		
300	15.3	SDV		71629		Basi	in Fruitland	d Coal (Gas)	
4 Property	Code	<u>, </u>	<u> </u>		1 Property	Name .				Well Number
1964	1	ľ	NEBU							# 424A
7 OGRID	No.				* Operator	Name			4	Elevation
6137	7	Ι	Devon E	Energy P	roduction (Company, L.P	•			6136
					¹⁰ Surface I	Location				
UL or Lor No.	Section	Township	Runge	Lot Idn	Feet from the	North/South line	Feet from the	East/West	line	County
E	4	30 N	7 W		2180	NORTH	1020	WE	ST-	SAN JUAN
			" Bott	om Hole	Location If	Different From	n Surface			
7 UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/Wes	t line	County
\mathbf{M}	4	30 N	7 W		1190	SOUTH	300	WE	ST	SAN JUAN
Dedicated Acre		n or infili	Consolidatio	n Code Is (Order No					
3 20 - W/2	1									
NO ALLO	WABLE					ON UNTIL ALL I	,		EN CO	NSOLIDATED
<i>i</i>		// OR A	NON-ST	ANDARD	UNIT HAS BI	EEN APPROVED	BY THE DIV	MOIST		
16	1			5280'(R)			¹⁷ OPE	RATOR	CER'	FIFICATION
							l hereby certify	that the information	on contained	herein is true and complete to
(X)							the best of my	knowledge and beli	el, and that	this organization either owns a
							<u> </u>			
lot 8	3		Lot 7		Lot 6	Lot 5	· 이 ·			the land including the
E Lot 8			Lot 7		Lot 6	Lot 5	proposed ballor	n hole location or i	has a right t	o drill this well at this location
E Lot 8			Lot 7		Lot 6	Lot 5	proposed ballor	n hole location or i	has a right to	-
. Cot 8	2180'		Lot 7		Lot 6	Lot 5	proposed ballon	n hole location or i contract with an ow proofing agreemen	has a right to	o drill this well at this location minicial or working interest.
E Lot 8			Lot 7	1	Lot 6	Lot 5	proposed bollor pursuant to a co	n hole location or i contract with an ow proofing agreemen	has a right to	o drill this well at this location minural or working interest.
E Lot 8			Lot 7	X	Lot 6	Lot 5	proposed bollor pursuant to a co	n hole location or i contract with an ow proofing agreemen	has a right to	a drill this well at this location invocated or working interest, subscorp pooling order
E Lot 8			Lot 7	1	Lot 6	Lot 5	proposed botton purswant to a solunta heretolore enfe	n hole location or i contract with an ow proofing agreemen	has a right to mer pt such pilor a comp	a drill this well at this location invocated or working interest, subscorp pooling order
Lot 8			Lot 7	H	Lot 6	Lot 5	proposed botton purswant to a solunta heretolore enfe	n hole location or it controls with an ow of popular agreement of the division	has a right to mer pt such pilor a comp	a drill this well at this location of nunceral or working interest, bulkers pooling order
(X)))))			Lot 7	H	Lot 6	Lot 5	proposed botton pursuant to a column to a volunta heretolare ente	n hole location or it controls with an ow of popular agreement of the division	has a right to mer pt such pilor a comp	o drill this well at this location of numeral or working interest, bulkers pooling order
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(K)			Lot 7		Lot 6	Lot 5	proposed botton pursuent to a volunte heretolare enfe Signature Signature Printed N	m hole location or in contract with an own propring agreement of the division	has a right to the property of	a drill this well at this location Aniversal or working interest, subsorp pealing order 12 of 0 TIFICATION
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(R) - GLO Record

NEBU 424A

SL: 2180' FNL & 1020' FWL, Unit E 4-30N-7W BHL: 1190' FSL & 300' FWL, Unit M 4-30N-7W San Juan Co., NM

DRILLING PLAN

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

Formation	MD (ft)	TVD (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	Surface	
Ojo Alamo	3111	2236	Aquifer
Kirtland	3233	2346	
Fruitland	3685	2786	
Fruitland 1 st Coal	3852	2953	Gas
Upper Pictured Cliffs	4063	3164	Gas
Pictured Cliffs Main	4173	3274	Gas
PTD	4175	3276	·

All shows of fresh water and minerals will be adequately protected and reported.

A 100' sump will be drilled into the Picture cliffs. A mud logger will be on location collecting samples and measuring gas levels. Should the Picture Cliffs interval appear to be productive the sump will be filled with cuttings and abandoned

2. PRESSURE CONTROL EQUIPMENT:

All well control equipment shall be in accordance with Onshore Order #1 for 2M systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram, with a size of 2", and pressure ratings.

• 3000# BOP With Pipe Rams and 3000# BOP With Blind Rams

Auxiliary equipment to be used:

Upper kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) or 70% of the internal yield pressure (without a test plug) at:

- Initial installation
- Whenever any seal subject to test pressure is broken
- Following related repairs
- At 30 day intervals

Pipe and blind rams shall be activated each trip.

A BOPE pit level drill will be conducted weekly for each drilling crew. All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to close all rams and retain 200 psi above precharge pressure without the use of closing unit pumps.

Master controls will be at the accumulator. Anticipated bottom hole pressure is 300 psi.

3. Casing & Cementing Program:

A. The proposed casing program will be as follows:

MD	TVD	Hole Size	Size	Grade	Weight	Thread	Condition
0-285	0-285	12-1/4"	9-5/8"	H-40	32#	STC	New
0-3840	0-2941	8-3/4"	7"	J-55	23#	LTC	New
3790-TD	2891-TD	6-1/4"	5-1/2"*	J-55	15.5#	LTC	New

Casing Size	Collapse Resistance	Internal Yield	Body Yield
9 5/8"	1400 psi	2270 psi	254K psi
7"	3270 psi	4360 psi	366K psi
5 ½"	4040 psi	4810 psi	248K psi

The 9-5/8" surface pipe will be tested to 750 psi. All casing strings below the surface shoe shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% minimum internal yield.

<u>Surface</u>: The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every joint thereafter (Total 5 centralizers estimated)

<u>7" Casing</u>: The bottom three joints of the 7" casing will have a minimum of one centralizer per joint and one centralizer every fifth joint thereafter to above Ojo Alamo with turbolizers below and throughout the Ojo Alamo. (Total 12 centralizers, 3 turbolizers estimated).

B. The proposed cementing program will be as follows:

Surface String: 9-5/8" Surface cemented in a 12-1/4" hole at 285'.

32.3# H-40 ST&C 8 Rnd Saw tooth guide shoe

Cemented with 200 sacks Class B mixed at 15.6 ppg w/.25 pps

Celloflake, 2% calcium chloride. Yeild 1.19 ft3/sx ,cement Designed to circulate to surface.

Production String:

7" Production casing cemented in an 8-3/4" hole

23# J-55 LT&C 8 Rnd

Float collar Joint

Float Shoe

Cement with 500 sacks Class B 50/50 POZ, 3% gel, 5# gilsonite, 1/4"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft3/sx. *

Cement designed to circulate to surface.

Pending hole conditions, cement baskets may be installed above

TD

* Minor variations possible due to existing hole conditions.

Liner:

5-1/2" liner*

15.5# J-55 LT&C 8 Rnd

Shoe

Not Cemented

* May not be run pending hole conditions.

If well does not respond to proposed to completion, the 5 ½ "
liner will be cemented using class B 50/50 POZ, 3% gel, 5#
gilsonite, ¼"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47
ft3/sx. **

4. DRILLING FLUIDS PROGRAM:

MD	TVD	Type	Weight (ppg)	Viscosity	рН	Water Loss	Remarks
0-285	0-285	Spud	8.4-9.0	29-70	8.0	NC	FW gel,
285-3840	285-2941	LSND	8.4-9.0	29-70	8.0	10-12	LCM as needed
3840-TD	2871 - TD	Air/Mist					Foam as needed

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

5. EVALUATION PROGRAM:

Wireline Logs:

None

^{**} Minor variations possible due to existing hole conditions

Mud Logs: Mud logging in Fruitland Coal.

Survey: MWD surveys will be taken from 350' to TD of 8 3/4" hole.

Cores: None anticipated.

DST's: None anticipated.

6. ABNORMAL CONDITIONS:

The Fruitland Coal will be encountered within the 6 1/4" hole. Estimated formation pressure is 300 psi. No other abnormal pressures and/or temperatures are expected. No hydrogen sulfide should be present.

7. OTHER INFORMATION:

The anticipated starting date and duration of the operation will be as follows:

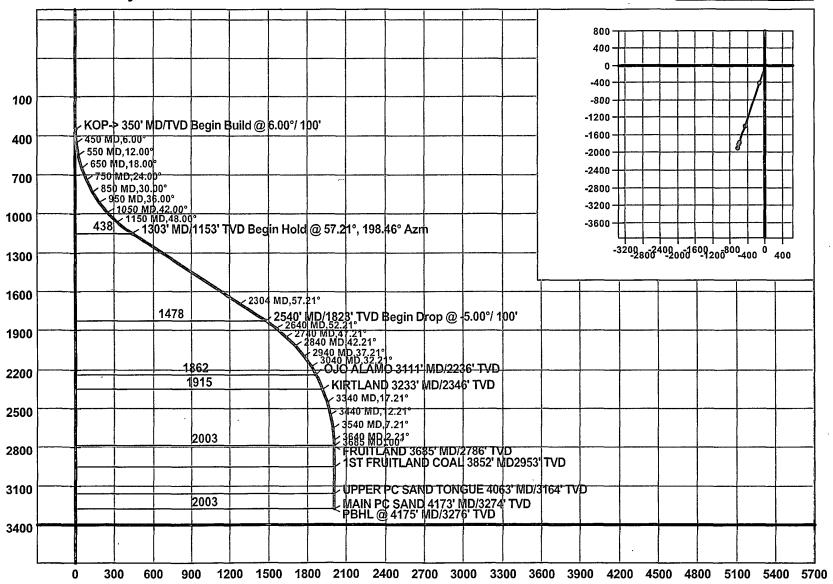
Starting Date: Upon Approval

Duration: 20 days

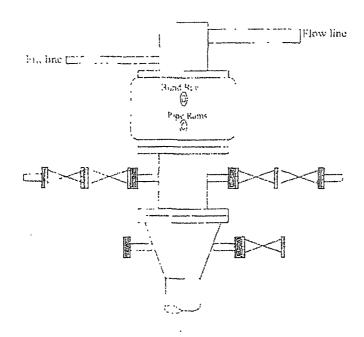
If the well is completed as a dry hole or as a producer, Well Completion or Recompletion Report and Log (Form 3160-4) will be submitted within 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3160. Copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, daily drilling reports, daily completion reports, and all other surveys or data obtained and compiled during the drilling, completion, and/or workover operations, will be submitted directly to the Authorized Officer or filed with Form 3160-4.

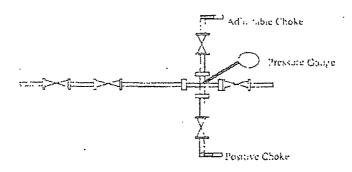
Company: Devon Energy Lease/Well: NEBU 424A Location: San Juan County State/Country: New Mexico





Well Control Equipment 2,000 psi Configuration





All well coup of equipment designed to meet or exceed the Onshote Oil and Clas Order No. 2, RLM 43 CLR 3, 60 requirement. for 2M systems,